DEPARTMENT OF STATE A/CDC/MR
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SECRET

PRIMARY TALKING POINTS
MILITARY EQUIPMENT FOR SAUDI ARABIA AND ISRAEL

-- I WANT TO TALK WITH YOU ABOUT SAUDI ARABIA'S REQUEST FOR ADDITIONAL EQUIPMENT FOR THEIR F-15S AND FOR AERIAL SURVEILLANCE AIRCRAFT.

-- I ALSO WANT YOU TO KNOW OF CERTAIN ACTIONS I INTEND TO TAKE TO STRENGTHEN ISRAEL'S DEFENSES AND DEFENSE INDUSTRY.

-- BOTH OF THESE WILL CONTRIBUTE TO OUR STRATEGY FOR DETERRING SOVIET ADVENTURISM IN THE REGION.

-- YOU'VE PROBABLY ALREADY SEEN PRESS REPORTS ABOUT THIS MATTER. THEY REPORTED SOME DETAILS, BUT NOT THE REASONING WITH WHICH I HAVE APPROACHED THE ISSUE.

-- I HAVE COME TO CERTAIN JUDGMENTS AFTER CAREFUL CONSIDERATION AND FROM DEEP CONCERN ABOUT THE THREAT POSED BY THE SOVIET UNION TO THE SECURITY IN THIS STRATEGIC PART OF THE WORLD.

-- I AM DETERMINED TO ARREST THIS TREND AND TO STRENGTHEN THE U.S. SECURITY POSITION IN THE MIDDLE EAST. AS PART OF THIS OVERALL STRATEGY, WE HAVE A SPECIAL CONCERN FOR THE SECURITY AND MILITARY CAPABILITY OF ISRAEL, AND FOR HELPING SAUDI ARABIA PROVIDE ADEQUATE DEFENSE FOR ITS STRATEGIC RESOURCES. ANY ARMS DECISIONS WE WILL TAKE MUST FIT INTO A BROADER STRATEGY DESIGNED TO DETER SOVIET PENETRATION INTO THIS VITAL REGION AND TO BLOCK SOVIET ATTEMPTS TO

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EXPLOIT THEIR MILITARY POSTURE IN THE REGION FOR POLITICAL PURPOSES.

-- I HAVE COME TO A FIRM CONCLUSION ABOUT THE DANGERS IN THE REGION AND WANT TO CONSULT WITH YOU ABOUT OUR POSITION AND SOME OF THE MILITARY SUPPLY IMPLICATIONS OF THIS SITUATION.

-- WE PROPOSE TO INFORM THE SAUDI GOVERNMENT, WHICH ATTACHES MAJOR IMPORTANCE TO OUR RESPONSE, THAT WE ARE PREPARED TO SUBMIT NOTIFICATION TO THE CONGRESS FOR SALE OF CONFORMAL FUEL TANKS FOR THE F-15S AND AIM 9L SIDEWINDER MISSILES.

-- WE ALSO PROPOSE TO TELL THEM THAT WE WILL AGREE TO PROVIDE AERIAL SURVEILLANCE AIRCRAFT SUBJECT TO FURTHER DETERMINATION OF THEIR REQUIREMENTS AND THAT WE ARE PREPARED TO BE FORTHCOMING ON PROVIDING A REFUELING CAPABILITY.

-- WE WILL BE TALKING WITH THE SAUDIS ABOUT THEIR AIR-TO-GROUND REQUIREMENTS FOR DEFENSE AGAINST INVASION IN RESPONSE TO THEIR EARLIER REQUEST FOR BOMB RACKS. (IF PRESSED: I DO NOT EXPECT TO TAKE A FINAL POSITION ON THIS ISSUE IN THE NEAR FUTURE.)

-- THESE ACTIONS ARE INTENDED TO SIGNAL TO THE SAUDIS THE SERIOUSNESS WITH WHICH WE VIEW THE INCREASED THREAT TO THE REGION AS THE RESULT OF THE FALL OF THE SHAH AND THE SOVIET INVASION OF AFGHANISTAN. ON THE BASIS OF THESE

ACTIONS WE WILL BE WORKING MORE ACTIVELY WITH THE SAUDIS TO BROADEN THE SCOPE OF OUR DEFENSE COOPERATION AGAINST THREATS TO THE AREA.

-- BECAUSE THE SOVIET THREAT IS OF MAJOR CONCERN TO US, I AM GIVING PERSONAL ATTENTION TO DEVELOPING A CLOSER STRATEGIC DIALOGUE WITH ISRAEL AND WITH OTHER COUNTRIES IN THE AREA.

-- THEREFORE, I WANT TO BE ABSOLUTELY ASSURED OF THE ADEQUACY OF ISRAEL'S DEFENSES. WE ARE PREPARED TO PROVIDE ISRAEL WITH APPROPRIATE CREDIT ARRANGEMENTS NECESSARY FOR THE PURCHASE OF ADDITIONAL F-15S OR OTHER EQUIPMENT ISRAEL MAY PREFER. (I EXPECT TO PROPOSE TO THE CONGRESS AN ADDITIONAL $300 MILLION IN SECURITY ASSISTANCE IN FY 1983 AND A SIMILAR AMOUNT IN FY 1984 FOR THIS PURPOSE.)

-- TAKEN AS A WHOLE, I BELIEVE THESE ACTIONS WILL INCREASE THE SECURITY OF BOTH COUNTREIS AND IMPROVE OUR OVERALL ABILITY TO DEAL WITH SOVIET AND OTHER THREATS.

-- AS YOU KNOW, THE DEVELOPMENT OF AN ECONOMICALLY VIABLE DEFENSE INDUSTRY IN ISRAEL IS EXTREMELY IMPORTANT TO ITS SECURITY. IN THIS CONNECTION THE ISRAELIS ATTACH GREAT IMPORTANCE TO A FORTHCOMING U.S. ATTITUDE TOWARD LICENSING EXPORTS OF THEIR KFIR FIGHTER AIRCRAFT. I INTEND TO BE AS FORTHCOMING AS WE CAN TO ISRAELI REQUESTS TO SEEK SUCH SALES.

-- I WANT YOUR VIEWS AND YOUR SUPPORT IN THESE ACTIONS, WHICH ARE PART OF A BROAD EFFORT WE WILL BE MAKING TO IMPROVE OUR SECURITY POSTURE IN THE MIDDLE EAST AND PERSIAN GULF.

-- I AM AWARE OF A CENTRAL CONCERN OF THE CONGRESS AND OTHERS IN THIS COUNTRY THAT THE PREVIOUS ADMINISTRATION HAD MADE AN UNDERTAKING TO THE CONGRESS THAT ENHANCEMENT ITEMS WOULD NOT BE SOLD TO SAUDI ARABIA. THIS UNDERTAKING WAS MADE IN CONSULTATION WITH THE CONGRESS. WE WOULD LIKE YOU TO CONSIDER WITH US WHETHER THAT DECISION CONTINUES TO SERVE U.S. INTERESTS GIVEN THE RADICALLY ALTERED STRATEGIC SITUATION IN THE AREA.

-- THAT COMMITMENT WAS MADE IN 1978. THERE IS NOW A SIGNIFICANTLY GREATER THREAT TO WESTERN INTERESTS SINCE THE FALL OF THE SHAH AND THE SOVIET INVASION OF AFGHANISTAN.

-- WE HAVE REVIEWED THIS QUESTION IN THIS NEW CONTEXT AND HAVE DETERMINED THAT OUR OWN INTERESTS IN THESE CHANGED CIRCUMSTANCES REQUIRE A FRESH APPROACH. WE ARE CONSULTING WITH YOU IN THE LIGHT OF OUR COMMON RECOGNITION OF THE ALTERED STRATEGIC SITUATION IN THE AREA.

-- WE ARE ASKING YOU TO CONSIDER WITH US THE IMPACT OF THE PROFOUNDLY THREATENING CIRCUMSTANCES FACING THE WEST AT THIS TIME, AND TO JOIN THE ADMINISTRATION IN TAKING STEPS

TO ENHANCE WESTERN SECURITY IN THE REGION. THESE ADDITIONAL RESOURCES TO SAUDI ARABIA, AND MEASURES PROPOSED TO ASSURE THE CONTINUING VIABILITY OF ISRAEL'S DEFENSES ARE CONTRIBUTIONS TO OUR NEW APPROACH.